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TO RUEHC/SECSTATE WASHDC 5296
INFO RUCNMR/MERCOSUR COLLECTIVE
RUEHCV/AMEMBASSY CARACAS 0335
RUMIAAA/USCINCSO MIAMI FL//SCJ3/SCJ33/SCJ34/SOCSCO LNO//
RHEHNSC/WHITE HOUSE NSC WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
RUCPDOC/DEPT OF COMMERCE WASHDC
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UNCLAS ASUNCION 000082

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STATE FOR WHA/BSC, INL/LP (JIM HIDES)
EB/IFD/OIA
STATE PASS TO USAID FOR LAC/AA
STATE PASS TO USTR FOR LYANG
NSC FOR SUE CRONIN
TREASURY FOR OSIA MAUREEN WAFER
TREASURY FOR OTA WARFIELD, VAN KOCH, MILLAR
COMMERCE FOR ITA SARAH COOK
SOUTHCOM FOR POLAD

E.O. 12958: N/A

TAGS: PGOV PHUM PREL PA

SUBJECT: PARAGUAY POLITICAL AND ECONOMIC UPDATE JANUARY ,
2007

REF: ASUNCION 0057

¶1. (U) SUMMARY:

-- Dengue Fever Update
-- MCA Helps Establish Customs Cooperation
-- Senator Against Venezuelan Mercosur Membership

DENGUE FEVER UPDATE

¶2. (U) Paraguay now has some 1,800 cases of Dengue fever, including 12 of the deadly hemorrhagic type, since early January. The outbreak is concentrated primarily in Asuncion and surrounding areas. Four people have already died from Dengue shock syndrome, and the Ministry of Health appears to be stretched, if not overwhelmed, by the increased demand for public health services. The January 29 government "day off" for public employees and campaign to raise general population awareness about Dengue was poorly organized. The Health Ministry acknowledged that just 55 percent of the houses in Asuncion and Central department were visited. At an extraordinary National Health Council meeting on January 31 to address the dengue situation, Health Minister Oscar Martinez resisted several calls to declare a national emergency. While generally dismissing dire earlier projections (some had reported that Paraguay could see up to 600,000 dengue cases this year), the head of the Paraguayan health surveillance department projected that we can expect to see new dengue cases into April. (reftel)

MCA HELPS ESTABLISH CUSTOMS OOPERATION

¶3. (U) Attorney General Ruben Candia Amarilla and Customs Director Margarita Diaz de Vivar signed an historic agreement establishing clear lines of cooperation and action between the two institutions on enforcement and the seizure of contraband goods. The president of the National Congress, Senator Gonzalez Quintana, the President's economic advisor Minister Carlos Walde, the Ambassador, the USAID director, and representatives from the national police, military, and other key GOP departments, were present to mark this

important step - catalyzed and supported by the USAID-managed MCA Threshold program. The new agreement is designed to help the GOP significantly improve interdiction and prosecution efforts to combat illegal commerce and smuggling.

SENATOR AGAINST VENEZUELAN MERCOSUR MEMBERSHIP

¶4. (U) Senator Alfredo Luis Jaeggli, of the Authentic Radical Liberal Party (PLRA), called for his party and the opposition bloc to reject the entry of Venezuela as a full member of Mercosur. Jaeggli said Chavez "is interfering in various countries in the region where democratic institutions are very weak and we cannot take the risk of allowing him to do the same in our country." (COMMENT: This all comes on the heals of a series of events starting with Chavez' attack on VP Castiglioni during the Mercosur Summit. Paraguayan leaders have closed ranks and become very cautious of Venezuelan intentions in the region. Other political party leaders have called for investigations against the Venezuelan Ambassador for "meddling" and La Nacion newspaper went a step further and urged the government to expel the Venezuelan Ambassador. END COMMENT).

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